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TRUST AGREEMENT

CHARCOAL IRON COMPANY OF AMERICA

WITH

UNION TRUST COMPANY, OF DETROIT

Trustee


AND

GUARANTY TRUST COMPANY
OF NEW YORK

Co-Trustee

SECURING AN ISSUE OF \$1,400,000 SEVEN PER CENT
GOLD DEBENTURE NOTES

DATED MARCH 1, 1919



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This Agreement, made this first day of March, 1919, by and between **CHARCOAL IRON COMPANY OF AMERICA**, a corporation organized and existing under the laws of the State of Michigan (hereinafter called the "Company"), of the first part, and **UNION TRUST COMPANY**, Trustee, a corporation organized and existing under the laws of the State of Michigan (hereinafter called "Trustee"), and **GUARANTY TRUST COMPANY OF NEW YORK**, Co-Trustee, a corporation organized and existing under the laws of the State of New York (hereinafter called "Co-Trustee"), of the second part,

WITNESSETH :

WHEREAS, the Company is duly authorized to borrow money for its corporate purposes and to issue its notes therefor; and

WHEREAS, in the exercise of such authority and for such purposes and in pursuance of resolutions of its Board of Directors duly adopted, the Company has resolved to issue its gold debenture notes, to be designated as seven per cent. gold debenture notes, to the aggregate amount of One Million Four Hundred Thousand Dollars (\$1,400,000.00), said debenture notes to be of the respective denominations of One Thousand Dollars (\$1,000.00), Five Hundred Dollars (\$500.00) and One Hundred Dollars (\$100.00) each, in series to be respectively known as "M," "D" and "C," all to be dated March 1, 1919, and to bear interest at the rate of seven (7) per cent. per annum, payable semi-annually, on the first days of September and March of each year, and to bear numbers and to be of maturities according to the following schedule, to wit:

18951
Business Records Book

Number	Aggregate Amount	Maturity
M1 to M100	\$100,000	September 1, 1919
M101 to M200	\$100,000	March 1, 1920
M201 to M300	\$100,000	September 1, 1920
M301 to M400	\$100,000	March 1, 1921
M401 to M550	\$150,000	September 1, 1921
M551 to M700	\$150,000	March 1, 1922
M701 to M815	\$115,000	September 1, 1922
D1 to D100	\$50,000	September 1, 1922
C1 to C100	\$10,000	September 1, 1922
M816 to M990	\$175,000	March 1, 1923
M991 to M1165	\$175,000	September 1, 1923
M1166 to M1340	\$175,000	March 1, 1924

all of which said notes shall be exchangeable by the holder or holders thereof for a new note or new notes, hereby secured, of like tenor and maturity but of any other denomination above prescribed, as hereinafter provided.

Said debenture notes, together with the interest coupons attached thereto and the Trustee's Certificate to be endorsed thereon to be substantially in the following forms, subject to the necessary variations in denominations, distinguishing numbers and maturities thereof, to wit:

(Form of Note.)

No. \$.....

UNITED STATES OF AMERICA,

STATE OF MICHIGAN.

CHARCOAL IRON COMPANY OF AMERICA

Seven Per Cent. Gold Debenture Note.

Charcoal Iron Company of America, a Michigan corporation, for value received, hereby promises to pay to the bearer on the first day of, 19..... (unless sooner redeemed), at the office of Guaranty Trust Company, in the City of New York, the sum of Dollars in gold coin of the United States of America of or equal to the present standard of weight and fineness, with interest in the meantime,

payable at the office of said Guaranty Trust Company, in like gold coin, at the rate of seven (7) per cent. per annum, from March 1, 1919, semi-annually on the first days of September and March in each year, upon the presentation and surrender of the interest coupons hereto annexed, as they severally mature. Both principal and interest of this note are payable, without deduction, for any tax or taxes or other governmental charge (including Federal income tax or taxes to the extent only of two per cent. (2%)), which the Charcoal Iron Company of America or the Trustee or Co-Trustee, under the Agreement of Trust hereinafter mentioned, may be required or permitted to pay thereon or retain therefrom under any present or future law, so far as the same may lawfully be done.

This note is one of a series of debenture notes for an aggregate principal amount of One Million Four Hundred Thousand Dollars (\$1,400,000.00), said notes being of the denominations of One Thousand Dollars (\$1,000.00), Five Hundred Dollars (\$500.00) and One Hundred Dollars (\$100.00) each, in three series, known as "M," "D" and "C," respectively, each series being numbered consecutively from one (1) upwards. Said notes and the interest coupons attached thereto are issued pursuant, are secured by, and are received and held subject, to all and singular the terms and conditions of an agreement of trust, of even date herewith, made between Charcoal Iron Company of America of the first part and Union Trust Company, of Detroit, as Trustee, and Guaranty Trust Company, of New York, as Co-Trustee of the second part.

The officers, directors and stockholders of Charcoal Iron Company of America are hereby expressly exempted, released and absolved from any and all personal liability in respect of said notes, all such liability being hereby expressly waived.

This note shall pass by delivery unless registered in the name of the owner on the books of the Company at the office of Union Trust Company, Trustee, or its successor in trust, registry being noted hereon as provided in said agreement of trust. After such registration no transfer shall be valid unless made on said books by the registered owner in person or by attorney duly authorized and similarly noted hereon, but this note may be

discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; but this note may again, and from time to time, be registered in the name of the owner, or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons, which shall continue to be transferable by delivery, notwithstanding the registration hereof.

All of said debenture notes, or any part thereof, in order of maturity, may be redeemed at the option of Charcoal Iron Company of America on any day when interest may become payable, at the price of one hundred and one (101) per cent. for the par value thereof and accrued interest, on not less than sixty (60) days' notice, as provided in said Agreement of Trust.

This note shall not become or be valid or obligatory for any purpose until it shall have been authenticated by the certificate of the Trustee under said agreement, endorsed hereon.

IN WITNESS WHEREOF, said Charcoal Iron Company of America has caused this note to be signed by its President or one of its Vice Presidents, and its corporate seal to be hereto affixed, and to be attested by its Secretary, or Assistant Secretary, and coupons for such interest, with the facsimile signature of its Treasurer, to be attached hereto, this first day of March, 1919.

CHARCOAL IRON COMPANY OF AMERICA,

By.....
President.

Attest:

.....
Secretary.

(Form of Coupon.)

No. \$.....

On the first day of, 19....., Charcoal Iron Company of America will pay the bearer, at the office of the Guaranty Trust Company, in the City of New York, Dollars, in gold coin of the United States of America, being six months' interest then due on its seven per cent. gold debenture note No.

.....
Treasurer.

(Form of Trustee's Certificate.)

It is hereby certified that this note is one of a series of notes described in the Agreement of Trust within referred to.

UNION TRUST COMPANY, *Trustee*,

.....
Vice President.

AND, WHEREAS, all things necessary to make said notes, when authenticated by the Trustee and issued by the Company, the valid obligations of the Company, and to make this Agreement legal and binding upon the Company, have been done and performed, and the creation and issue of said notes and the execution and delivery of this Agreement have been in all respects duly authorized:

NOW, THEREFORE, THIS AGREEMENT OF TRUST WITNESSETH: that for the greater security and protection of said notes, and without preference of any of the said notes over any of the others by reason of priority in the time of the issue or negotiation thereof, or otherwise howsoever; in consideration of the premises, and for a valuable consideration moving from each party to the other and of the purchase and acceptance of the said notes by the holders thereof, it is hereby covenanted and agreed as follows:

First. The Company shall forthwith execute and deliver to the Trustee for authentication by it the entire amount of debenture notes herein provided for.

Second. The Trustee, upon the written order of the Company, signed by its President or by one of its Vice Presidents, shall authenticate and deliver to the Treasurer of the Company upon his written receipt, all of said notes, and after such delivery shall not be liable in any manner whatsoever for the sale or negotiation or other disposition of the same.

Third. Anything in this instrument to the contrary notwithstanding, in case the holder or holders of any notes previously issued hereunder shall desire to exchange the same for

new note or notes of any denomination above described, such holder shall have the right to exchange such note or notes for such new note or notes upon payment of the reasonable charges of the Company and of the Trustee, and upon presentation and surrender of the said previously issued note or notes, with all unmatured coupons attached to the Trustee for cancellation, the Company shall execute and thereupon the Trustee shall authenticate and deliver a new note or notes hereby secured, in like principal amount and maturity, and with all proper coupons attached, and all new notes thereupon delivered shall stand upon an equality with all notes previously issued hereunder.

Fourth. The notes issued hereunder shall be negotiable and pass by delivery unless registered for the time being in the name of the owner thereof on the books of the Company at the office of the Trustee, as provided in said notes. Such registration shall be endorsed on said notes in such form or forms as shall from time to time be determined upon by the Trustee. A reasonable charge shall be paid by such owner for such registration. As to all notes so registered, the person in whose name the same shall be registered shall, for all purposes of this agreement, be deemed and regarded as the absolute owner thereof, and, thereafter, payment of or on account of the principal of such note, shall be made only to or upon the order of the registered owner thereof; but such registration may be changed, as provided in said notes. All such payments so made shall be valid and effectual to satisfy and discharge the liability upon the principal of such notes to the extent of the sum or sums so paid. The bearer of any notes hereby secured, which shall not at the time be registered as hereinbefore authorized, and the holder of any coupon for interest on any note, whether such note shall be registered or not, shall for all purposes of this agreement, be deemed and regarded as the absolute owner of such

note or coupon, as the case may be, for the purpose of receiving payment thereof, and for all other purposes.

Fifth. The Company covenants that it will pay the principal and interest of every note issued hereunder as the same shall become due and payable, without deduction for any tax or taxes, or other governmental charge (including Federal income tax or taxes to the extent only of two per cent. (2%)) which it, or the Trustee or Co-Trustee may be required or permitted to pay thereon or retain therefrom under any present or future law, so far as the same may lawfully be done.

Sixth. The Company reserves the right on any date on which interest thereon is payable, to redeem any or all of said notes at the price of one hundred one per cent. (101%) of the par value thereof and accrued interest in the manner following:

Redemption shall be made of such notes in the order of their maturity, excluding notes maturing upon the date fixed for such redemption, and in the event that the Company shall desire to redeem less than all of the notes of any maturity, it shall notify the Trustee of the amount in par value of the notes of such maturity desired to be redeemed, and the Trustee shall thereupon select by lot the notes to be redeemed of such maturity and shall notify the Company of such selection.

Whenever the Company shall desire to redeem any notes it shall give notice of such redemption, designating the notes by the number and maturity, and specifying the date whereon such notes are to be redeemed, and cause such notice to be published once each week for six consecutive weeks, beginning not less than sixty (60) days prior to the date fixed for redemption, in one daily newspaper published in the City of Detroit, and one daily newspaper published in the Borough of Manhattan, City of New York. Copy of such notice of redemption shall be mailed by the Company to the holder of

each registered note so called for redemption at the last post-office address of such owner as shown on the registry books of the Company at the office of the Trustee.

After such publication, the notes specified therein and accrued interest thereon shall become due and payable at the redemption price hereinbefore specified and accrued interest and shall be paid at the office of Guaranty Trust Company of New York, Co-Trustee, on the redemption date specified in such publication, and upon surrender of such notes and the coupons appertaining thereto maturing on and after the date so fixed for redemption. The Company shall, on or prior to the date fixed for any such redemption, deposit with the Co-Trustee, the amount of money necessary for the redemption of the notes specified in such notice at the price aforesaid, and for the payment of interest which will accrue thereon to the date so fixed, together with all proper charges and expenses of the Co-Trustee in connection therewith, and upon such deposit being made, and at such date, the Company shall be entitled to consider and treat said notes so designated for redemption and all interest coupons pertaining thereto as paid and canceled, and from and after such date, interest on such notes shall cease. The Co-Trustee, upon the presentation and surrender to it of such notes, shall apply the money so deposited with it to the payment of such notes at the redemption price, with accrued interest to the day designated for redemption. If funds for the redemption of any notes so called for redemption be not deposited with the Co-Trustee on or before the date fixed for redemption thereof, such call shall become null and void, and the notes so called shall continue to bear interest at the rate expressed therein, and to enjoy the full benefit and security of this agreement.

The verified certificate of any officer of the Company as to the giving of proper notice of redemption shall be full and complete authority to the Co-Trustee for any action to be

taken by it in reliance thereon. In case, however, any question shall arise as to whether any such notice of redemption shall have been sufficiently given, such question shall be decided by the Co-Trustee, and the decision of said Co-Trustee shall be final and binding on all parties in interest. Notes redeemed shall be canceled and no notes shall be issued in place thereof.

The holder of each and every note issued under this Agreement, hereby agrees to accept payment thereof prior to maturity upon the conditions in this Article Sixth provided.

Seventh. The Company covenants and agrees, as follows:

(a) That it has, at the time of the issuance of said notes, no funded indebtedness and no mortgage or other liens of any nature against any of its property whatsoever.

(b) That no mortgage or other incumbrance shall be placed upon or against any of the property of the Company so long as any of the said notes are outstanding and unpaid, provided that the Company may make purchase money mortgages for new property, the purchase of which shall have been approved by the Trustee.

(c) That neither the existing lease of the Yale mine, so called, nor the contracts now in effect, covering the sale of a part of the ore production of said mine, nor any other of the present properties of the Company shall be disposed of without the written consent of the Trustee, and deposit of all sums realized from each such disposition with the Trustee, such sums to be held by said Trustee and to be used only for the purpose of purchasing or redeeming notes hereby secured in accordance with the terms hereof. The Company reserves the right, without consent of the Trustee to make sale of cut-over timber lands not exceeding a total of one thousand (1,000) acres in any one sale; the proceeds of any such sale or sales shall, however, be deposited with the Trustee and be applied in accordance with the provisions of this subparagraph (c). Any funds held by the Trustee under the provisions of this subparagraph (c) shall be by the Trustee, on request of the Company, paid over to the Co-Trustee, to be by it applied, in its discretion, to the redemption or pur-

chase of notes in like manner as is in and by subparagraph (g) of this paragraph provided in respect of redemption or purchase of notes by the Co-Trustee. The provisions of this subparagraph (c) shall not be construed to apply to or affect the conduct by the Company of its regular business in the customary manner.

(d) That the Company shall issue no other notes, bonds, debentures or other obligations, nor endorse or guarantee the obligations of any other company or individual, but nothing in this subparagraph (d) contained shall apply to or affect the right of the Company to issue its notes negotiable at banks in the usual course of its business and maturing not later than ninety (90) days from the date of issue or to make and deliver such notes as may be necessary in connection with the purchase of new property acquired with the approval of the Trustee under the terms of this agreement.

(e) That the Company shall maintain at all times quick assets to the value, as shown by audits made pursuant to the terms of this agreement, of at least one and one-half ($1\frac{1}{2}$) times its total current liabilities. The term "quick assets," as used in this subparagraph (e) shall include (1) cash on hand and in banks, (2) inventories of products, material, and supplies both manufactured and in process of manufacture, including ore above ground, (3) accounts receivable, (4) bills receivable, (5) investments at market prices. The term "current liabilities" as used in this subparagraph (e) shall include accounts and bills payable, royalties, rentals, reserves for taxes of all kinds and nature and the notes outstanding hereunder.

(f) That the Company shall not increase the present rate of dividends on its common stock until the full payment and discharge of said notes.

(g) That out of the surplus earnings of the Company in each year after the payment of the interest and principal of said notes, and after the payment of the regular dividends upon its preferred stock, the Company shall set aside thirty-three and one-third per cent. ($33\frac{1}{3}\%$) of such surplus to be used (1) for the redemption and prepayment of the notes outstanding hereunder, in accordance with the terms hereof, or (2) for the acquisition of new property, and in the event that new property is acquired with such funds, the nature thereof and purchase

price of the same shall be approved by the Trustee; the Company shall have the right hereunder, during the year of the accrual of such surplus, from time to time, to use portions thereof for the purposes and upon the conditions aforesaid, and if, upon December 31st of any calendar year, there shall remain in the hands of the Company any portion of such surplus so to be set aside by it under the provisions of this subparagraph (g) which the Company has not used or expended in accordance with the provisions hereof, the Company shall, within thirty (30) days thereafter deposit with the Trustee all such sums, and thereafter the same shall be held by the Trustee, and be by it expended upon written orders of the Company for the purposes of (1) the redemption and prepayment of the notes outstanding hereunder in accordance with the terms hereof, or (2) for the acquisition by the Company of new property, the nature and purchase price of which shall be approved by the Trustee. In the event that the Company shall not elect, as herein provided within ninety (90) days from the time of any such deposit of funds, and proceed to have the same applied to the purchase of new property, then the Trustee and Co-Trustee shall use and apply the same without further direction of the Company, for the purpose of redeeming and prepaying notes outstanding hereunder in accordance with the terms hereof and for the purpose of accomplishing such redemption and prepayment, said Trustee shall pay and deliver to said Co-Trustee all funds received by it under the terms of this subparagraph (g) and remaining unapplied by the Company after the expiration of said period of ninety (90) days, and the Co-Trustee shall be and it is hereby authorized and directed for and on behalf of the Company and in its name, place and stead to issue and publish a call or calls for the redemption of notes, in an amount or amounts sufficient to exhaust, as nearly as may be, the funds so received by it, in like manner and with the same effect as the Company is by this agreement authorized to do.

Any funds paid to the Trustee under the terms of this subparagraph (g) may be, by the Trustee, with the consent of the Company, during said period of ninety (90) days, or by the Co-Trustee in its own discretion after the expiration of said period and after it shall have received such funds, applied to the

purchase of notes outstanding hereunder and at the date of such purchase next subject to redemption; provided, however, that if there be funds available for the purchase of less than all the notes of any maturity selection by lot shall not be required but such notes of such maturity as are offered on terms deemed advantageous may be purchased. All notes so purchased shall be forthwith canceled.

(h) That the Company shall provide for a proper annual depreciation charge approved by the Trustee.

(i) That the Company shall, so long as any of the notes issued hereunder are outstanding, furnish to Messrs. P. W. Chapman & Company, a partnership, with offices in Chicago, Illinois, and New York City, bankers, and to the Trustee, (1) annual audits of its property and operations made by certified public accountants satisfactory to the bankers and to the Trustee; (2) monthly balance sheets of its business operations; and (3) monthly statements of its profits and loss.

(j) That the bankers aforesaid and the Trustee shall at all times have the right to make such examination and audit of the property and books of the Company by themselves, or their agents or accountants thereunto appointed, as they or either of them shall desire.

(k) That the Company will continuously maintain its corporate organization and continue to operate its plants and properties substantially as the same are now operated, making all necessary repairs and replacements from time to time; that it will pay and save harmless its property from all lawful taxes, royalties, licenses, rentals and other charges of whatsoever kind and nature, and will keep insured such of its property as is usually insured by companies conducting a like business against loss or damage by fire for the full insurable value thereof.

Eighth. In case default shall be made (1) in the payment of the interest on any of said notes and such default shall have continued for a period of thirty days, or (2) in the payment of the principal of any of said notes when the same shall become due and payable under the terms of this agreement, and such default shall have continued for a period of fifteen (15) days, or (3) in case default shall be made in the performance of any other covenant or condition herein re-

quired to be performed or observed by the Company, and such default shall have continued for a period of sixty (60) days after written notice thereof from the Trustee or the Co-Trustee to the Company, then, and in every such case, the Trustee in its discretion may, and upon the request in writing from the holders of one-fourth in principal amount of the notes then outstanding, shall declare the principal of all notes then outstanding hereunder due and payable immediately, and upon such declaration the same shall become due and payable immediately, if not already due and payable, anything in this agreement or any of said notes to the contrary notwithstanding. If at any time after the principal of said notes shall have been declared due and payable as aforesaid, and before any judgment or decree for the payment of the moneys due shall have been entered, all interest then overdue on said notes with legal interest, and the expenses of the Trustee and Co-Trustee and any other sums that may be due from the Company shall be paid by the Company, and all other defaults of the Company, if any, made good, the holders of a majority in amount of the notes then outstanding, by written notice to the Company and to the Trustee and Co-Trustee, may rescind and annul such declaration, but no such rescission shall affect any subsequent default or impair any right consequent thereon.

Ninth. If the Company shall fail after written demand therefor by the Trustee or Co-Trustee to pay any amounts due from it when the same shall become due and payable under the terms of this agreement or upon declaration as authorized hereby, the Trustee in its own name and as Trustee of an express trust, shall be entitled and empowered to, and upon the request in writing of the holders of one-fourth in principal amount of the notes outstanding hereunder and upon being furnished with satisfactory indemnity against the expenses and liabilities to be incurred thereby shall, institute such action or proceedings in law or in equity as may be

necessary or proper for the collection of the sums so due and unpaid, and may prosecute any such actions or proceedings to final judgment or decree, and may enforce any such judgment or final decree against the Company. All rights of action under this agreement, or under any of the notes and coupons, may be enforced by the Trustee or Co-Trustee as the case may be without the possession of any of the notes or coupons, or the production thereof at any trial or other proceedings.

Tenth. If the Trustee shall fail within thirty (30) days after having received any request as provided for in either of the preceding paragraphs Eight and Nine, to proceed as in such request directed, then in such event the Co-Trustee shall be and become vested with and empowered to exercise in all respects any and all rights, powers and duties by this agreement conferred upon or vested in the Trustee, and the Trustee upon demand of the Co-Trustee shall pay over and deliver over to the Co-Trustee any and all funds by it held under this agreement, and the Co-Trustee shall be authorized to proceed pursuant to any and all requests, directions and demands given by the holders of notes issued hereunder or otherwise.

All moneys collected by the Trustee or the Co-Trustee, as the case may be, under the provisions of this or the preceding paragraph shall be applied first, to the payment of costs and expenses, including the reasonable compensation of the Trustee or Co-Trustee, and their respective agents, attorneys and counsel, and all advances and expenses made and incurred by either of them, and second, to the ratable payment of the amount due and owing upon the principal and interest of said notes, without preference or priority of any one note over another irrespective of the several dates upon which the several notes secured hereby may severally mature and without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest.

Eleventh. No holder of any note or coupon issued hereunder shall have any right to institute any action, suit or proceeding for the collection of any sum due by the Company for the principal or interest of any notes issued hereunder, or for the enforcement of any provision of this agreement, unless said holder previously shall have given to the Trustee written notice of such default and of the continuance thereof; and unless, also, the holders of at least one-fourth of the total principal amount of notes issued hereunder and then outstanding shall have made written request upon the Trustee or Co-Trustee, as the case may be, and shall have afforded it reasonable opportunity to institute such action, suit or proceeding in its own name, and the Trustee or Co-Trustee, as the case may be, shall have neglected or refused so to do; and unless, also, they shall have offered to the Trustee or Co-Trustee, as the case may be, security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; and such notification, request and offer of indemnity are hereby declared in every such case at the option of the Trustee, or Co-Trustee, as the case may be, to be conditions precedent to the institution of any suit or action for the enforcement of any provision of this agreement for the benefit of the holders of the notes, and to any action or cause of action or any other remedy hereunder; it being understood and intended that no one or more holders of notes or coupons shall have any right in any manner whatever to affect or prejudice the rights of any other holders of such notes or coupons or shall in any manner or way obtain or seek to obtain a preference over any other holder, or to enforce any right hereunder or under or in respect to such notes or coupons or any of them except subject to the provisions of this agreement, and that all proceedings of whatsoever kind or nature shall be instituted and maintained for the equal benefit of all holders of outstanding notes and coupons.

Twelfth. No delay or omission of the Trustee or of the Co-Trustee or of any holder of notes issued hereunder to exercise any right or power accruing upon any default continuing as aforesaid shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy given by this agreement to the Trustee or Co-Trustee or to the holders of notes shall be deemed to be cumulative and not exclusive, but may be exercised from time to time and as often as may be deemed expedient.

Thirteenth. No recourse under or upon any obligation, covenant or agreement of this instrument, or of any note or coupon hereby secured, shall be had against any stockholder, officer or director of the Company, present or future, or of any successor corporation, either directly or through the Company, either upon unpaid stock subscriptions or otherwise, by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute, constitution or otherwise. It is expressly understood that this agreement and the obligations hereby secured are solely corporate obligations and that no personal liability whatever shall attach to or be incurred by the stockholders, officers and directors of the Company, or of any successor corporation or of any of them, because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this instrument, or in any of the notes or coupons hereby secured or implied therefrom, and that any and all personal liability of every name and nature either at common law or in equity or by statute or constitution of, and any and all rights and claims against, every such stockholder, officer or director, are hereby expressly waived as a condition of, and as a consideration for the execution of this agreement and the issue of said notes and coupons.

Fourteenth. If, when all the notes issued hereunder shall have become due and payable under any provision thereof or of this Agreement, the Company shall well and truly pay, or cause to be paid, the whole amount of the principal (and premium, if any) and interest due upon such notes, or shall provide for such payment by depositing with the Co-Trustee for the payment of such notes and coupons the entire amount then due for principal (and premium, if any) and interest, and shall also pay or cause to be paid all other sums payable hereunder by the Company and shall well and truly keep and perform all the things required to be kept and performed by it, according to the true intent and meaning of this Agreement, then and in that case this Agreement shall cease to be of further effect, and the Trustee and Co-Trustee on written demand and at the cost and expense of the Company shall execute proper instruments canceling and discharging this Agreement.

Fifteenth. Neither the Trustee nor the Co-Trustee shall be answerable for the default or misconduct of any agent or attorney appointed by it in pursuance hereof, if such agent or attorney shall have been selected with reasonable care; or for anything whatever in connection with this trust, except willful misconduct or gross negligence.

Neither the Trustee nor the Co-Trustee shall be under any obligation or be required to take any action toward the execution or enforcement of the trusts hereby created which in the opinion of such Trustee or of such Co-Trustee, shall be likely to involve it in expense or liability or in respect to any default hereunder, unless action in respect thereof shall be requested by a writing signed by the holders of not less than one-fourth in principal amount of the notes hereby secured and then outstanding, nor unless indemnity against such expense or liability satisfactory to it shall be tendered as often as required by the Trustee or the Co-Trustee as aforesaid; nor shall the Trustee or the Co-Trustee be deemed to have

notice of any default or event of default hereunder, and it may, for all purposes, conclusively assume that there has been no default or event of default hereunder, unless and until notified in writing thereof by the holders of not less than one-quarter in principal amount of the notes hereby secured and then outstanding, and upon being tendered indemnity as hereinbefore provided; but the provisions of this paragraph are intended only for the protection of the Trustee and Co-Trustee and shall not be construed to limit or affect any power or discretion of the Trustee or Co-Trustee to take action otherwise proper under the provisions hereof in respect of any default without such notice or request from note-holders.

Neither the Trustee nor the Co-Trustee shall be responsible in any manner whatsoever for the recitals herein or in the notes contained, all of which are made by the Company. The Trustee and Co-Trustee may advise with counsel, and any action under this agreement taken in good faith by the Trustee or Co-Trustee in accordance with the opinion of such counsel shall be binding on the Company and on all holders of the notes and the Trustee or Co-Trustee shall be fully protected in respect thereof. Neither the Trustee nor Co-Trustee shall be bound to recognize any person as a holder of notes unless he shall have, if requested, deposited his notes with the Trustee or Co-Trustee.

The Trustee and Co-Trustee may each act upon any notice, request, order, certified copy of resolution, or other instrument or document believed by it in good faith to be genuine or signed by the proper party or properly authorized and shall be fully protected for any action taken or suffered by it upon the faith thereof.

Any action by the Trustee or by the Co-Trustee upon the request of any person who at the time is the owner of any such notes, shall be conclusive and binding upon all future owners of the same notes. Neither the Trustee nor the Co-

Trustee shall be under any obligation or duty with respect to the recording, registering or filing of this Agreement.

The Trustee and the Co-Trustee shall incur no liability to anybody in acting upon any notice, request, opinion, consent, certificate, note, document, or paper believed by it to be genuine or to have been signed or sent by the proper persons.

The Trustee and the Co-Trustee may receive a certificate under the corporate seal of the Company and signed by the Secretary or an Assistant Secretary of the Company as sufficient evidence of the due adoption of any resolution by the Board of Directors of the Company. The Trustee and the Co-Trustee may rely upon, and shall incur no liability for any action taken by it in reliance upon any such certificate or resolution so certified.

The Trustee and the Co-Trustee shall be reimbursed by the Company upon demand for, and be indemnified against, any liability or damages which may be sustained by it in the premises. The Trustee and the Co-Trustee shall have a claim prior to that of any note or coupon issued hereunder for its compensation and expenses, and also for any liability or damage by it sustained in the premises.

The Trustee and the Co-Trustee make no undertaking in respect of, and shall not be responsible in any manner whatsoever for, the validity or execution of this Agreement or of any of the notes issued hereunder or the recitals herein or in said notes contained, all such recitals being made and to be taken as statements of the Company solely; nor shall the Trustee and the Co-Trustee be accountable or responsible for the use of any notes certified and delivered hereunder, or for the application of the proceeds of such notes, or for the performance or fulfillment of any covenant or agreement herein provided to be kept by the Company. The Trustee and the Co-Trustee may advise with counsel, and any action taken or suffered under this Agreement in good faith by the Trustee

and the Co-Trustee, in accordance with the opinion of counsel, shall be conclusive on the Company and on all holders of notes issued hereunder, and the Trustee and the Co-Trustee shall be fully protected in respect to any such action.

Anyone holding the office of Trustee or Co-Trustee hereunder may from time to time purchase, acquire, hold, own and deal in any of the notes issued hereunder, and assert its rights in respect thereof in the same manner as any other note holder hereunder.

Any moneys received by the Trustee or the Co-Trustee under any provision of this Agreement, may be treated by it, until it is required to pay out the same conformably herewith, as a general deposit, without any liability for interest, save as may be agreed upon between the Company and the Trustee or the Co-Trustee.

The Trustee and Co-Trustee shall each be entitled to reasonable compensation for all services by them rendered in the execution of the trusts hereby created, and the Company agrees to pay from time to time, upon demand, such compensation, as well as all expenses necessarily incurred or disbursed by the Trustee or Co-Trustee hereunder, including the compensation of counsel employed.

Sixteenth. The Trustee, at any time acting hereunder, may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee and the Company and signed by the holders of a majority in principal amount of the notes then unpaid and outstanding. The Trustee, at any time acting hereunder, may resign from the trust hereby created, by giving thirty (30) days' written notice to the Company and to the Co-Trustee, if any be then acting hereunder, and such resignation shall take effect at the end of such thirty (30) days. Such notice may be served personally or sent by registered mail to the last known address of said Company and said Co-

Trustee. In the event that said Union Trust Company, Trustee, shall resign or be removed or be dissolved or otherwise be or become incapable of acting hereunder, said Guaranty Trust Company of New York, Co-Trustee, shall forthwith become Trustee hereunder and shall be vested with and perform all the rights, powers and duties created by this agreement; and in the event that both said Union Trust Company and said Guaranty Trust Company of New York shall resign, be removed, be dissolved, or otherwise be or become incapable of acting hereunder, a successor Trustee may be appointed by the Board of Directors of the Company, but such Trustee, so appointed, shall be a trust company of good standing, having its principal office in either the City of Detroit or in the City of New York. When any Trustee so appointed shall execute and deliver to the Company an instrument accepting such appointment hereunder, it shall thereupon become vested with all the rights, powers and trusts hereof and hereunder as if originally named as Trustee herein.

Seventeenth. Union Trust Company, of Detroit, Michigan, and Guaranty Trust Company of New York, of New York, hereby accept the respective trusts in this agreement as Trustee and Co-Trustee and agree to perform the same upon the terms and conditions herein set forth.

IN WITNESS WHEREOF, said Charcoal Iron Company of America has caused this agreement to be executed in triplicate by its Vice President and its corporate seal to be hereunto affixed attested by its Secretary, and said Union Trust Company, of Detroit, has caused this agreement to be signed by one of its Vice Presidents and its corporate seal to be hereunto affixed by its Secretary or Assistant Secretary, and said Guaranty Trust Company of New York, has caused this agreement to be signed by one of its Vice Presidents and its corporate seal

to be hereunto affixed by its Secretary or Assistant Secretary,
the day and year first above written.

CHARCOAL IRON COMPANY OF AMERICA,
(Sgd.) By F. W. HUTCHINGS,

(C. I. C. OF AM. SEAL)

Vice President.

Attest:

(Sgd.) H. H. BINGHAM,
Secretary.

Witnesses to execution by Charcoal
Iron Company of America:

(Sgd.) C. H. HAVILL,
(Sgd.) J. A. KAY.

UNION TRUST COMPANY,
As Trustee,

(Sgd.) By CHAS. R. DUNN,

(U. T. CO. SEAL)

Vice President.

Attest:

(Sgd.) HARRY SLATER,
Assistant Secretary.

Witnesses to execution by Union
Trust Company:

(Sgd.) C. H. HAVILL,
(Sgd.) J. A. KAY.

GUARANTY TRUST COMPANY OF NEW YORK,
Co-Trustee,

(Sgd.) By F. J. H. SUTTON,

(G. T. CO. SEAL)

Vice President.

Attest:

(Sgd.) H. A. DUNCAN,
Assistant Secretary.

Witnesses to execution by Guaranty
Trust Company of New York:

(Sgd.) L. T. PIDWELL,
(Sgd.) WM. E. ROBITSEK.

STATE OF MICHIGAN, }
 COUNTY OF WAYNE. } ss.

On this 15th day of March, 1919, before me appeared F. W. Hutchings, to me personally known, who being duly sworn, did say that he is the Vice President of Charcoal Iron Company of America, and that the seal affixed to said instrument is the corporate seal of said corporation, and that this instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said F. W. Hutchings acknowledged said instrument to be the free act and deed of said corporation.

(Sgd.) CHARLES H. HAVILL,

(NOTARIAL SEAL)

Notary Public.

My commission expires May 3rd, 1919.

STATE OF MICHIGAN, }
 COUNTY OF WAYNE. } ss.

On this 15th day of March, 1919, before me appeared Chas. R. Dunn, to me personally known, who being duly sworn, did say that he is the Vice President of Union Trust Company, and that the seal affixed to said instrument is the corporate seal of said corporation, and that this instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said Chas. R. Dunn acknowledged said instrument to be the free act and deed of said corporation.

(Sgd.) CHARLES H. HAVILL,

(NOTARIAL SEAL)

Notary Public.

My commission expires May 3rd, 1919.

STATE OF NEW YORK, }
 COUNTY OF NEW YORK. } ss.

On this 17th day of March, 1919, before me appeared F. J. H. Sutton, to me personally known, who being duly sworn, did say that he is the Vice President of Guaranty Trust Company of New York, and that the seal affixed to said instrument is the corporate seal of said corporation, and that this instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said F. J. H. Sutton acknowledged said instrument to be the free act and deed of said corporation.

(Sgd.) EDW. J. FISHER,

(NOTARIAL SEAL)

Notary Public.

My commission expires March 30, 1920.

Notary Public Bronx Co. No. 41.

Certificate filed New York Co. 240.

Register Nos. Bronx Co. 842; New York Co. 10158.



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